

**CITY OF DULUTH
NOTICE OF FAVR PLAN STATUS FORM**

TO: _____ (Director)

(Department)

FROM: John Grandson, Fleet Manager

DATE: _____

RE: FAVR Participant _____

Based on the most recent quarterly review and/or year-to-date status of the business miles reported by the above-named employee, it appears that the employee may not meet the minimum annual business mileage necessary to qualify for the FAVR Plan. Below is a table showing what the target miles are for each quarter, the employee's actual reported miles to date, and finally, the projected annual miles if the current mileage continues.

<u>Quarter</u>	<u>Actual Miles To-Date</u>	<u>Target Miles - 6250 miles</u>
1	_____	1562
2	_____	3125
3	_____	4687
4	_____	6250
Projected Annual Miles	_____	

Pursuant to the City's Vehicle Provision/Mileage Reimbursement policy, **noncompliance with FAVR program requirements requires the employee to discontinue participation in the program and to repay any monies received from the FAVR program that are in excess of what would have been received from the current IRS cents-per-mile reimbursement rate.** If the employee believes they will meet the annual business mileage requirement by the end of the year, and they wish to continue in the program and **assume full responsibility for reimbursements of FAVR overpayments**, they may continue in the program with the approval of both their immediate supervisor and department director.

Please give this form to the employee and have him/her check one of the following options:

_____ Based on projected annual business miles, I have decided to withdraw from the FAVR program. Please calculate the amount I would have received for the number of reported miles this year at the current cents-per-mile rate. I will reimburse the difference to the City within 30 days, or on a payment schedule agreed to by the City Auditor's Office. All future payments should be made on the cents-per-mile reimbursement rate.

_____ Even though my business miles to-date are below target, future miles should put me at the annual target miles; therefore, with my supervisor's and department director's written permission (indicated by signing below), I wish to continue in the FAVR program.

Employee Signature

Date

Supervisor Signature

Date

Department Director Signature

Date